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In the

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 506

BAKER OIL TOOLS, INC.,
Petitioner,

VERSUS

KIVA CORPORATION,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIARARI

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September, 1969.

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STATEMENT OF THE CASE

The statement of the case set forth in the petition for a writ of certiorari should be supplemented as follows:

1. Prior Use Testimony

Mr. Greenroyd was an employee of Steel Special Tools from 1948 to 1954 and during that period of time used tools constructed in the same manner as the tools produced at the trial, Exhibits 54, 53 and 121 (Tr. 311-314). Three of the job tickets (Exhibits 45, 49 and 51, Tr. 105, 110 and 114, Vol. III), used to corroborate the testimony of Mr. Greenroyd were signed by Mr. Greenroyd. The testimony of Mr. Greenroyd was not contradicted.

The physical specimens of well tools (Exhibits 54, 53 and 121) introduced into evidence were purchased by Schlumberger Technology Corporation in 1964 from Mr.

Earl Steel, the owner of Steel Special Tools (Tr. 619). At that time, the tools were identified by Mr. Steel to Mr. Fidler of Schlumberger as being a retrievable bridge plug, packer and bypass, respectively (Tr. 622, 623).

2. Development of the Patented Bridge Plug

Prior to the filing date of the patents in suit (October 12, 1953), petitioner made a single retrieving device constructed substantially as disclose[redacted] the '346 and '532 patents (Tr. 585-612). The first and only time that retrieving device was run in the field, in April, 1953, the retrieving device became clogged with sand; would not retrieve the bridge plug from the well, and was never used again (Tr. 258-262). A modification of the retrieving device was tested in 1964 (Tr. 486) in anticipation of testimony to be given in a previous suit between petitioner and Schlumberger Technology Corporation, but the retrieving device has never been released to the field service people of petitioner for use in commercial operations (Tr. 496).

Petitioner made a total of two bridge plugs constructed substantially as disclosed in both the '346 and '352 patents, and referred to such plugs as the Model A (Tr. 589). The first Model A plug was run in a well in April 1953 and could not be recovered from the well, although efforts were made to do so (Tr. 260, 585 and 586).

The second and last Model A bridge plug was run in a well on June 30, 1953, and although it was retrieved from the well, the run was considered unsuccessful (Tr. 260, 629 and 630). At that time, petitioner was in the process of designing an improved bridge plug which later was designated as the Model B (Tr. 589, 590, 630-632). The Model B

bridge plug varied from the Model A in several respects (Tr. 182, 184) and is disclosed in petitioner's patent No. 2,751,012 filed April 26, 1954 (Tr. 85-96, Vol. III). Prior to the filing date of the '346 and '532 patents (which both disclose the Model A bridge plug) petitioner made fourteen successful runs of the Model B bridge plug (Tr. 261, 591).

3. Jury Instructions and Conduct of the Trial

The instructions given to the jury (Tr. 51-62), as well as the special issues (interrogatories) (App. D) were agreed upon by both parties. Throughout the trial of the case, the '532 patent was referred to as the "method" patent by the Court (Tr. 51, 86) and the attorneys for both parties, although, as a matter of fact, the '532 patent contains both method and apparatus claims.

ARGUMENT

First Question

1. A study of the complete opinions of this Court relating to prior public use clearly reveals that *the standard of proof required to establish a prior public use is that the evidence must be clear and satisfactory*, and not that the evidence must include a prior written description or photograph of the invention as contended by petitioner.

Petitioner's position appears to be based on the two sentences from *Smith* v. *Hall*, 301 U.S. 216, 57 S.Ct. 711, 81 L.Ed. 1049, quoted on page 8 of the petition for a writ of certiorari. However, this Court held in that case that the evidence was sufficient to establish a prior public use, such that the statements quoted by petitioner are clearly dicta if interpreted as proposed by petitioner.

In *The Barbed Wire Patent* case, 143 U.S. 275, 284, 12 S.Ct. 443, 450, 36 L.Ed. 154 (cited by petitioner), the evidence was conflicting and therefore not clear and satisfactory. As noted by the Court of Appeals below (App. C, p. XIV) the standard as expressed in *The Barbed Wire Patent* was "the proof shall be clear, satisfactory and beyond a reasonable doubt."

In *Deering* v. *Winona Harvester Works*, 155 U.S. 286, 300, 15 S.Ct. 118, 39 L.Ed. 153 (cited by petitioner), the testimony sought to be relied upon was contradicted by other testimony and by an exhibit, such that the evidence was not clear and satisfactory. Further, the primary witness relied upon to show an anticipation was interested in the outcome of the case.

In *Eible Process Co.* v. *Minnesota and Ontario Paper Co.*, 261 U.S. 45, 60, 43 S.Ct. 327, 67 L.Ed. 523 (cited by petitioner), the testimony was indefinite as to date as well as to the prior structure employed. The standard applied was stated by this Court as being "evidence to prove prior discovery must be clear and satisfactory."

In *Corona Cord Tire Co.* v. *Donovan Corporation*, 276 U.S. 358, 48 S.Ct. 380, 72 L.Ed. 610 (cited but not discussed by petitioner), there were written records of laboratory tests showing previous discovery of the invention. However, this Court held that a prior sale was satisfactorily shown by the testimony of a single witness supported only by a memorandum shipping order showing the date of shipment, but not describing the invention. This Court (276 U.S. at p. 382) stated "The fact that he is the only witness is not fatal or reason for denying the weight of his testimony in connection with other circumstances."

In the present case, and as was noted by the Court of Appeals below (App. C, p. XV), the jury was instructed as to the proper standard to be applied in the following words:

> "Here Kiva has the burden of coming forward with clear and convincing evidence to establish that the patents in suit are not valid. This is so, because the law gives the holder of a patent the benefit of a presumption that the patent is valid. In other words, the law presumes, in the absence of clear and convincing evidence to the contrary, that the Patent Office correctly issued the patent.
>
> "By the term 'clear and convincing evidence' is meant that degree of proof which is more than a mere preponderance of the evidence. It is evidence that will produce in your mind a firm belief or conviction as to the truth of the allegations sought to be established."

The jury found (App. D, p. XXV) in response to this instruction, that there had been a prior public use of the invention defined by the claims in issue of the '532 patent. The District Court refused to set aside the jury finding (Tr. 72-76, 79), on a motion for judgment notwithstanding the verdict, and the Court of Appeals affirmed (App. C, p. XXVII).

In affirming, the Court of Appeals below applied the exacting standard of the Fifth Circuit that oral testimony must be supported by "writings" (App. C, p. XV) and specifically found that the job tickets were "writings" (App. C, p. XVII).

The standard of evidence applied by the Courts below was clearly within the standard applied by this Court in all prior cases.

2. The standard applied by the Court of Appeals below is not only not in conflict with, but is more strict than, the standards applied in other circuits. For example:

In the 7th Circuit, the Court has specifically held:

> "We do not think that it can be held, as a matter of law, that oral testimony is insufficient." *Becker* v. *Electronic Service Supplies Co.*, 98 F.2d 366, 368. See also *Twyman* v. *Radiant Glass Co.*, 8 Cir., 56 F.2d 119.

The Court of Appeals for the 9th Circuit, in *Paraffin Companies* v. *McEverlest, Inc.*, 94 F.2d 335, after specifically stating that certain documentary evidence having questionable identification would be disregarded, quoted with approval its prior decision in *Rowen* v. *Brake Testing Equipment Corp.*, 9 Cir., 38 F.2d 220, 224:

> "To reject such testimony taken as a whole, or to decline to believe it, would, in effect, be to nullify the provision of the statute by exacting an impossible standard of evidence. The testimony is not contradicted, is not inherently improbable, and would, we think, be accepted as satisfactory and convincing, if not wholly conclusive, in any other kind of case, criminal or civil."

Second Question

Part (a)

Petitioner first objects to the special issues (interrogatories) presented to the jury as not being in accordance with *Graham* v. *John Deere*, 383 U.S. 1, 14, 86 S.Ct. 684, 692, 15 L.Ed.2d 546. However, petitioner failed to inform this Court that the special issues submitted to the jury were agreed upon by the parties prior to the time the jury was instructed and presented the special issues. Further, dur-

ing the course of the trial, the attorney for petitioner objected to opinions on obviousness, stating that that was an issue to be determined by the jury (Tr. 165, 174). Petitioner, therefore, did not reserve its right to object to the charge or issues. *Safeway Stores, Inc.* v. *Dial*, 5 Cir., 311 F.2d 595, *American Cyanamid Company* v. *M. G. Sprato et al.*, 5 Cir., 267 F.2d 425, 430.

> "Of course, neither by a special nor by a general verdict has a jury any right to decide questions of law. Commonwealth v. Anthes, 5 Gray 185. Whittaker v. Brookline, 318 Mass. 19, 23-24, 60 NE2d 85. That function belongs exclusively to the court. But on this record the question now sought to be raised is not open. The district did not object to the special questions when they were submitted (as was done in the Whittaker case) and no exceptions were taken to that method of dealing with the cases. The questions were submitted at the time of, and in conjunction with, the charge. Indeed, the charge was to a considerable extent adapted to the questions. The questions and the charge were linked together. Not only were there no objections or exceptions to either the questions or the charge but, so far as appears, no requests for instructions were presented. The Judge had the right therefore to assume that the method of dealing with the case which he had adopted was not open to the object now urged. The exceptions now pressed are a belated and indirect attempt to challenge the charge. Had the answers to the questions been favorable to the district we have little doubt that it would have insisted that the disposition of the cases be grounded on them. Having been content with the manner in which the cases were submitted, the district is now in no position to complain and must abide by the result. See McDonough Co. v. Lennox, 248 Mass. 421, 423-424, 43 NE 346."

Newton Construction Co. v. *West and South Water Supply District of Action,* Mass., 1950, 93 N.E.2d 457, 461.

Petitioner has had a judicial evaluation of its '346 patent. Petitioner, in its motion for judgment N.O.V., and motion for new trial, specifically contended that it was error to submit the issue on "obviousness" to the jury on the ground that such issue related to a conclusion of law (Tr. 75). Petitioner's motion was briefed and argued to the District Court and the motions were denied (Tr. 79). This same issue was raised with the Court of Appeals; the Court of Appeals thoroughly reviewed the matter (App. C, p. XVII and XVIII) and concluded that the action was proper. Although this latter discussion by the Court of Appeals was with respect to the '532 patent, it is believed clear that the Court of Appeals also thoroughly considered the "obviousness" issue with respect to the '346 patent and reached the same conclusion (App. C, p. XIX).

Part (b)

Petitioner's allegation that certain answers of the jury are in irreconcilable conflict ignores the manner in which the case was presented to the jury by agreement of the parties, as well as the wording of certain of the issues.

As noted by petitioner, both the '346 and the '532 patent disclose the same apparatus. However, during the trial of the case, the jury was informed that the '346 patent was directed to the bridge plug and the '532 patent was a method patent (Tr. 51, 86) and the jury simply followed such presentation in answering the special issues.

As noted in the revised statement of the case set forth above, there was substantial evidence that the bridge plug

disclosed in the '346 patent was not the best mode contemplated by the applicants for the patent at the time the application was filed; hence, the jury's answer to special issue No. 1. On the other hand, there was no evidence that the method disclosed in the '532 patent was not the best mode contemplated by the applicants at the time the application was filed; hence, the jury's answer to special issue No. 2. The jury was undoubtedly construing "best mode" in special issue No. 2 as relating to the method, and in view of the fact that petitioner agreed upon the special issues submitted, petitioner should not now be heard to complain. That is no conflict in the jury's answers to special issues Nos. 1 and 2.

As also noted in the foregoing revised statement of the case, there was substantial evidence that the '346 patent did not illustrate and describe an operative bridge plug; hence, the jury's answer to special issue No. 3. On the other hand, there was no evidence that the method disclosed in the '532 patent was not operative; hence, the jury's answer to special issue No. 4. In view of the fact that the same apparatus is disclosed in both patents, it seems clear to everyone except petitioner that the word "device" is used in a different sense in special issues Nos. 3 and 4. The word "device" is properly used to refer to either an apparatus or a method.

The finding of the jury on special issue No. 5 that the '346 patent contains a sufficient written description is not in conflict with the answer to special issue No. 3 that the '346 patent does not disclose an operative device. As noted above, there was substantial evidence that the Model A bridge plug disclosed in the '346 patent would not perform

its intended function; whereas, respondent's expert witness admitted that he understood the construction and operation of the bridge plug from the disclosure of the '346 patent (Tr. 219, 220), which would be sufficient to support the jury's finding in response to special issue No. 5, but such admission does not mean that the bridge plug disclosed would perform its intended function.

Petitioner's position that the Court of Appeals made no effort to reconcile what appears to petitioner as being conflicting answers is simply not understood. The statement of the Court of Appeals quoted by petitioner on page 17 of the petition for a writ of certiorari clearly shows that the issue was considered by the Court of Appeals. Petitioner cites no authority requiring a Court of Appeals to go through a written exercise for the enlightenment of the losing party. As acknowledged by petitioner on page 18 of the petition for a writ of certiorari, a reconciliation of the jury answers in writing by the Court of Appeals would be of little value in another case with different facts.

The Court of Appeals and the District Court followed well accepted courses of judicial proceedings, and there is no need for this Court to exercise its power of supervision.

CONCLUSION

It is respectfully submitted that the petition for a writ of certiorari should be denied.

Dated, Oklahoma City, Oklahoma, September 22, 1969.

Respectfully submitted,

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